

'You matter, we care'

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| Trust Board Meeting (Part 1) | Date: 25 June 2014 |
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| Title: | Annual Report of the Finance and Planning Committee |
| Item: | BD/14/080 |

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| Lead and presenter | Sue Hall, Director of Resources |
| Report author(s) | Hannah Dennis, Corporate Governance and Risk Manager |

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| History: | <i>Executive Team, 17 June 2014</i> |
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| This report is for: | |
| Decision | X |
| Discussion | |
| To Note | X |

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| The following impacts have been identified and assessed in relation to this report: | |
| Equality | None identified. |
| Quality | None identified. |
| Privacy | None identified. |

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| Executive Summary |
| <p>This report summarises the work of the Committee during 2013/14, and assures the Board that the Committee has met it's Terms of Reference and delivered its delegated responsibilities.</p> <p>The Trust completed an evaluation of the work of the committee in March which has identified a series of recommendations that are recognised and have been agreed by the Committee.</p> <p>The Board are recommended to note the report and approve the Terms of Reference.</p> <p>Appendix A – Terms of Reference</p> <p>Appendix B – 2014/15 Work Plan</p> |

Annual Report of Finance and Planning Committee to Trust Board

| This report addresses these Strategic Priorities: | |
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| We will deliver the best care | X |
| We will support and develop our staff | X |
| We will continually improve what we do | X |
| We will use our resources wisely | X |
| We will be future focussed | X |

Annual Report of Finance and Planning Committee to Trust Board

1. Purpose

Committees are the Board's key assurance providers, with Non-Executive Director representation providing an independent, challenging perspective in discussion. Good governance is about effective leadership. To effectively lead, our Committees must be given the right tools to review and challenge management activity and to approve or decline to support proposed action.

The Committee has delegated responsibility by the Trust Board to oversee financial planning and management and business development to provide assurance that organisation is managing its financial position in a responsible, compliant and sustainable way,

The Committee oversees Trust financial performance via the monthly Finance report alongside the Quality and Performance report, ensuring finance is not reviewed without the consideration of quality of care.

The Chair of the Committee reports verbally to the Board on a monthly basis. The Committee can horizontally report to other Board committees any matters of relevance to those committees for their consideration, it can escalate matters to the Board and can require working groups or LDUs to report specific actions to the Committee.

The purpose of this report is to advise the Board of the work undertaken by the Committee during 2013/14, informed by the outcomes of the Committee self-evaluation and subsequent recommendations for improvement made based on best practice.

2. Attendance during 2013/14

2.1. Member attendance

The Committee met on the following dates during 2013/14:

- 23rd April 2013
- 20th May 2013
- 17th June 2013
- 2nd 18th July 2013
- 20th August 2013
- 16th September 2013
- 29th October 2013
- 20th November 2013
- 16th December 2013
- 21st January 2014
- 19th February 2014
- 21st March 2014

The attendance of members throughout the year was recorded as follows, with a total of 12 meetings held:

| Name | Role | Attendance |
|--------------|--|--------------|
| Alison Paine | Chair, from 1 April 2013 to 30 April 2013 | 1/1 meetings |
| | Non-Executive member, from 1 May 2013 to 31 May 2013 | 1/1 meetings |

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| Tony Gallagher | Chair, from 1 May 2013 to 31 May 2013 | 1/1 meetings |
| | In attendance, as Chair of the Trust | 10/10 meetings |
| Lee O'Bryan | Chair, from 1 June 2013 to present | 10/10 meetings |
| Paul Miller | Director of Finance & Commerce, until 28 February 2014 | 9/11 meetings |
| Sue Hall | Director of Business Development | 11/12 meetings |
| Kristin Dominy | Director of Operations, Executive member | 10/12 meetings |
| Tony McNiff | Non-Executive member, from 1 April 2014 to 30 April 2014 | 1/1 meeting |
| Emma Roberts | Company Secretary | 6/12 meetings |
| Peter Greensmith | Non-Executive member, from April to July 2013 | 1/4 meetings |
| Iain Tulley | Chief Executive | 3/12 meetings |
| Ruth Brunt | Non-Executive member, from March 2014 | 5/12 meetings |
| Rachel Clarke | Programme Director, Development (in attendance), from September 2013 | 1/12 meetings |

3. Summary of Business

The Committee has undertaken its core business throughout 2013/14, maintaining oversight of the following:

- Financial Plan
- Integrated Business Plan development and approval
- Financial performance and management
- Cost Improvement Planning
- Tendering, including Bristol tender
- Information Management and Technology (IM&T)
- Data Quality
- Capital expenditure and bid processes
- Payment by Results (PbR)
- IQ metrics via Quality and Performance report
- NTDA Oversight return

The Committee made the decision to take responsibility at a strategic level for overseeing progress in relation to the Bristol tender. It received an update at each meeting throughout the year and sought assurance over ongoing work to initially agree and submit a bid and later to further support this throughout the tender process.

The Committee also maintained close oversight of cost improvement planning processes and provided assurance to the Board on ongoing management of finance against the agreed budget, providing strategic guidance on action and mitigation where necessary.

4. Committee Self-Evaluation

4.1. The Role of the Committee

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Responses in this area identified concerns that the Committee is addressing the right issues, although the Committee may not always be aware of all issues necessary. The timeliness of information received can be an issue. Actions identified through minutes were noted to be accurate, but feedback indicated that a more proactive approach to completing actions is required. The Committee can be seen to be driving the taking of actions rather than monitoring the progress of these.

4.2. Membership, Independence, Objectivity & Understanding

Some positive comments were made confirming that members and attendees feel the Committee delivers its Terms of Reference. It was agreed the Committee has clear objectives, but that it does not always receive the information it requires to foresee future issues.

Responses in this area of the evaluation found that the membership (two Non-Executive Directors and two Executive Directors) was appropriate for the Committee but it was underlined that the role of Committee members is not defined in any written guidance. Concern was also expressed at the lack of succession planning in place, although it is recognised this is somewhat related to the limited number of Non-Executive Director members on the Trust Board. Succession planning and deputising could be better supported by attendance of deputies and locality staff.

Terms of appointment to the Committee are not currently defined in a letter to members. This is good practice and should be provided to all Committee members throughout the Trust's governance structures.

4.3. Skills

The Committee was not seen to actively provide recommendations to the Board on training needs.

4.4. Committee Support

Feedback on minutes of meetings was that these were at an appropriate level of detail, and accurately reflected discussions taking place. Committee discussion was felt to be robust and members were effectively challenging attendees through discussion.

5. Chair's Reporting

The Committee Chair provided a report to the Trust Board following each meeting of the Committee highlighting business discussed, issues raised and positive outcomes reported, providing assurance to the Board throughout the year.

6. Recommendations

6.1. Evaluation recommendations

All Committee members, both Non-Executive and Executive Directors, have been provided with a letter summarising the terms of their role within all Trust Committees as this is good practice.

The Governance Team will distribute meeting actions as soon as possible following the Committee meeting and will support the Executive Lead to oversee the completion of these actions through collation of updates on action taken. The Executive Lead and Chair must take an active role in ensuring these actions are completed, holding individuals to account through the Committee.

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Agenda setting meetings will take place for all Committees, with the presence of the Chair and Executive Lead required. The Governance Team will take this action and, if required, will facilitate teleconferencing to ensure this can take place.

Declaration of Interests has been added as a standing item on all Committee agendas.

Where a training need is identified in relation to the responsibilities of the Committee, the Committee will proactively recommend this to the Board.

6.2. Terms of Reference

The Terms of Reference of the Committee have been updated to reflect changes to membership, and to make clearer the working relationship the Committee has with the Quality and Standards Committee. The Terms of Reference are provided as Appendix 1 to this report for the approval of the Trust Board.

6.3. Overall recommendation

The Board is asked to **note** the report and work plan for the Employee Strategy and Engagement Committee for 2014/15.